

117 - O.C. HOUSING AUTHORITY - OPERATING RESERVE

Operational Summary

Description:

To work in partnership with Orange County's diverse communities to preserve and expand affordable housing opportunities, strengthen economic viability and enhance the livability of neighborhoods.

Strategic Goals:

- Increase and preserve affordable housing opportunities, especially for those most in need.

Fiscal Year FY 2002-2003 Key Project Accomplishments:

- In January 2002, H&CD issued a \$13 million NOFA for affordable housing development: \$10 million was offered for rehabilitation or new construction and additional \$3 million was offered for land acquisition on the Urban County Participating Cities and the unincorporated Target Areas. One of the projects funded through this NOFA is Laguna Canyon Apartments, which will provide 120 one, two, and three bedroom units for families whose income is between 30% and 60% of the AMI. The County has committed \$2,583,400 in Orange County Housing Authority Operating Reserve funds to the project. Construction will start in early 2003.
- The Operating Reserve funds the enhancement payments for the Family Self-Sufficiency (FSS) program. FSS currently has 440 active participants, which includes 26 new clients. As of September 30, 2002, there were 295 active escrow accounts for participants, with accumulated escrow credits totaling \$1,141,017. In 2002, nine families graduated from the program and are now self-sufficient.

O.C. HOUSING AUTHORITY/OPERATING RESERVE - Operating Reserve funds may be used only for the cost of ongoing administration of Housing and Community Development's (H&CD) current Section 8 rental assistance program or for other housing related purposes consistent with state and local law, including the development of affordable housing as approved by the Board.

At a Glance:

Total FY 2002-2003 Projected Expend + Encumb:	1,328,089
Total Recommended FY 2003-2004 Budget:	4,350,983
Percent of County General Fund:	N/A
Total Employees:	0.00

Budget Summary

Plan for Support of the County's Strategic Priorities:

The County's Strategic Priorities include the continued development of affordable housing opportunities and enhanced support for the County's Continuum of Care for the homeless. In the FY 03/04 budget, H&CD has appropriated over \$2.5 million for the development of affordable housing opportunities and has continued to allocate funding for the Cold Weather Shelter program.

Changes Included in the Recommended Base Budget:

Although H&CD received \$9.7 million for the 2002 SuperNOFA Homeless Continuum of Care application, none of the awarded amount is reflected in H&CD's FY 03/04 Budget. This is due to the continued submission of an Associated Application by H&CD, which results in no fiscal agent

responsibilities or administrative fees to the Department. This type of Application allows individual applicants to contract directly with HUD for their funding. Funds are no longer appropriated in fund 15G for administration of the 1998 and 1999 contracts since these contracts no longer have administrative funding available. Fund 117, however, does continue to fund the ongoing planning responsibilities of the SuperNOFA applications and the Continuum of Care system.

Proposed Budget and History:

Sources and Uses	FY 2001-2002 Actual	FY 2002-2003 Budget As of 3/31/03	FY 2002-2003 Projected ⁽¹⁾ At 6/30/03	FY 2003-2004 Recommended	Change from FY 2002-2003 Projected	
					Amount	Percent
Total Revenues	8,215,192	7,960,792	8,406,241	4,350,983	(4,055,258)	-48.24
Total Requirements	1,070,948	7,960,792	4,966,541	4,350,983	(615,558)	-12.39
Balance	7,144,244	0	3,439,699	0	(3,439,699)	-100.00

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2002-2003 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: O.C. Housing Authority - Operating Reserve in the Appendix on page 510.

Highlights of Key Trends:

- Reference Fund 15G, Housing & Community Development's Operating Budget.